GARDEN CITY, IDAHO
URBAN RENEWAL AGENCY

Audited Financial Statements and
Required Supplementary Information

For the Year Ended September 30, 2024

Table of Contents

Page

Independent Auditor's Report 3

FINANCIAL STATEMENTS

Government-wide Financial Statements:

Statement of Net Position 6

Statement of Activities 7

Fund Financial Statements:

Balance Sheet – Governmental Funds 8

Reconciliation of the Balance Sheet of the Governmental Funds to the Statement of Net Position 9

Statement of Revenues, Expenditures, and Changes in Fund Balance – Governmental Funds 10

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balance of Governmental Funds to the Statement of Activities 11

Notes to Financial Statements 12

REQUIRED SUPPLIMENTARY INFORMATION

Budgetary (GAAP) Comparison Schedule

General Fund 19

Notes to Required Supplementary Information 20

FEDERAL REPORT

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards* 22

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Independent Auditor's Report

Board of Commissioners
Garden City, Idaho Urban Renewal Agency
Garden City, Idaho

Opinion

We have audited the accompanying financial statements of the governmental activities and the fund information of the Garden City, Idaho Urban Renewal Agency (the Agency), as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the fund information of Garden City, Idaho Urban Renewal Agency, as of September 30, 2024, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Garden City, Idaho Urban Renewal Agency and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities for Management for the Financial Statements

Garden City, Idaho Urban Renewal Agency's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Garden City, Idaho Urban Renewal Agency's ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with general accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Garden City, Idaho Urban Renewal Agency's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Garden City, Idaho Urban Renewal Agency's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control–related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information on pages 19 through 20 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 6, 2025, on our consideration of the Garden City, Idaho Urban Renewal Agency's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Garden City, Idaho Urban Renewal Agency's internal control over financial reporting and compliance.

Zwygart John & Associates, CPAs PLLC

Nampa, Idaho
January 6, 2025

Garden City, Idaho Urban Renewal Agency
Statement of Net Position
September 30, 2024

	Governmental Activities
Assets	
Cash and Cash Equivalents	$ 3,669,042
Receivables, Net:	
Property Taxes	86,185
Interest	15,265
Total Assets	3,770,492
Liabilities	
Accounts Payable	45,893
Total Liabilities	45,893
Net Position	
Unrestricted	3,724,599
Total Net Position	$ 3,724,599

The accompanying notes are an integral part of the financial statements.

Garden City, Idaho Urban Renewal Agency
Statement of Activities
For the Year Ended September 30, 2024

	Expenses	Program Revenues: Charges for Services and Sales	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position - Governmental Activities
Primary Government:					
Governmental Activities:					
Urban Renewal Agency	$ 72,535	$ -	$ -	$ -	$ (72,535)
Reimbursed Capital Assets	650,777	-	-	-	(650,777)
Total Governmental Activities	$ 723,312	$ -	$ -	$ -	(723,312)
General Revenues:					
Property Taxes					1,997,829
Interest Earnings					135,081
Total General Revenues					2,132,910
Change in Net Position					1,409,598
Net Position, Beginning					2,315,001
Net Position, End					$ 3,724,599

The accompanying notes are an integral part of the financial statements.

Garden City, Idaho Urban Renewal Agency
Balance Sheet -
Governmental Funds
September 30, 2024

	General Fund
Assets	
Cash and Cash Equivalents	$ 3,669,042
Receivables, Net:	
Property Taxes	86,185
Interest	15,265
Total Assets	$ 3,770,492
Liabilities	
Accounts Payable	$ 45,893
Total Liabilities	45,893
Deferred Inflows	
Unearned Revenue - Property Tax	80,153
Total Deferred Outflows	80,153
Fund Balance	
Committed	1,280,205
Unassigned	2,364,241
Total Fund Balance	3,644,446
Total Liabilities, Deferred Inflows, and Fund Balance	$ 3,770,492

The accompanying notes are an integral part of the financial statements.

Garden City, Idaho Urban Renewal Agency
Reconciliation of the Balance Sheet of the Governmental
Funds to the Statement of Net Position
September 30, 2024

Total Fund Balance - Governmental Funds	$3,644,446
Amounts reported for governmental activities in the Statement of Net Position are different because of the following:	
Some of the property taxes receivable are not available to pay for current-period expenditures and are, therefore, deferred in the funds. However, in the government-wide statements they are not deferred.	80,153
Total Net Position - Governmental Activities	$3,724,599

The accompanying notes are an integral
part of the financial statements.

Garden City, Idaho Urban Renewal Agency
Statement of Revenues, Expenditures, and
Changes in Fund Balance -
Governmental Funds
For the Year Ended September 30, 2024

	General
Revenues	
Property Taxes	$ 1,976,702
Interest Earnings	135,081
Total Revenues	2,111,783
Expenditures	
Current:	
Urban Renewal Agency	72,535
Reimbursed Capital Expenditures	650,777
Total Expenditures	723,312
Net Change in Fund Balance	1,388,471
Fund Balance - Beginning	2,255,975
Fund Balance - Ending	$ 3,644,446

The accompanying notes are an integral
part of the financial statements.

Garden City, Idaho Urban Renewal Agency
Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balance of the Governmental Funds
to the Statement of Activities
For the Year Ended September 30, 2024

Total Net Change in Fund Balance - Governmental Funds	$1,388,471
Amounts reported for governmental activities in the Statement of Activities are different because of the following:	
Some of the property tax revenue is not available to pay for current period expenditures and are, therefore, deferred in the funds. However, in the government-wide statements they are not deferred.	21,127
Change in Net Position of Governmental Activities	$1,409,598

The accompanying notes are an integral
part of the financial statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The Garden City, Idaho Urban Renewal Agency (the Agency) is a separate and distinct legal entity of the City of Garden City, Idaho (the City) created by and existing under the Idaho Urban Renewal Law of 1965, as amended. The Commissioners for the Agency are appointed by the Mayor and approved by the City Council. The Agency provides urban renewal services for the citizens of the City.

The financial statements of the Agency have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The government's significant accounting policies are described below.

For financial reporting purposes, in conformity with governmental accounting standards, the Agency is included as a component unit in the City of Garden City, Idaho's financial statements. The Agency provides urban renewal services to the City and its citizens. These statements present only the funds of the Agency and are not intended to present the financial position and results of operations of the City of Garden City, Idaho in conformity with generally accepted accounting principles.

B. Basis of Presentation, Basis of Accounting

Basis of Presentation

Government-Wide Statements: The Statement of Net Position and the Statement of Activities report information on the financial activities of the primary government, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions.

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the Agency's governmental activities.

Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable with a specific function or segment.

Indirect expenses are expenses of the Agency related to the administration and support of the Agency's programs, such as personnel and accounting, and are not allocated to programs.

Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. There were no program revenues in 2024.

Taxes and other items not properly included among program revenues are reported instead as *general revenues.*

Fund Financial Statements: The fund financial statements provide information about the Agency's funds. Separate statements for each fund category are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds.

The Agency reports the following major governmental funds:

General Fund – This fund accounts for funds received by the Agency that are used to complete projects.

Basis of Accounting

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. When program expenses are incurred and there are both restricted and unrestricted resources available for use, it is the Agency's policy to use unrestricted resources first, then restricted resources.

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Agency considers revenues to be available if they are collected within sixty days of the end of the current fiscal period. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt and claims and judgments, which are recognized as expenditures to the extent they have matured.

Fund Balance Reporting in Governmental Funds

Different measurement focuses and bases of accounting are used in the government-wide Statement of Net Position and in the governmental fund Balance Sheet. The Agency uses the following fund balance categories in the governmental fund Balance Sheet:

- *Restricted.* Balances constrained to a specific purpose by enabling legislation, external parties, or constitutional provisions.
- *Unassigned.* Balances available for any purpose or negative fund balances.
- *Committed.* Balances set aside by the governing body for specific purposes.

The remaining fund balance classifications (nonspendable and assigned) were not applicable for the current fiscal year. However, if there had been committed funds, these amounts would have been decided by the Board of Commissioners, the Agency's highest level of decision-making authority, through a resolution. The Board of Commissioners would also have the authority to assign funds or authorize another official to do so.

When multiple classifications of fund balance resources are available for use, it is the Agency's intent to use restricted amounts first, followed by committed, followed by assigned, and then unassigned.

C. Assets and Liabilities

Cash Equivalents

The Agency requires all cash belonging to the Agency to be placed in the custody of the Clerk. The Agency's cash on hand, demand deposits, and short-term investments with original maturities of three months or less are considered to be cash and cash equivalents.

Capital Assets

All assets that are created or purchased by the Garden City Urban Renewal Agency are given to the city upon completion of the project.

Accounts Receivable

Accounts receivable consist of property taxes and other miscellaneous receivables. The allowance for doubtful accounts is zero as of September 30, 2024.

Accounts Payable

Accounts payable represent debts that will be paid in the next billing cycle. Accounts payable are not over sixty days past due.

Property Taxes

Property taxes are recognized as revenue when the amount of taxes levied is measurable, and proceeds are available to finance current period expenditures. Available tax proceeds include property tax receivables expected to be collected within sixty days after the end of the year. Property taxes are levied in September of each year. Tax notices are sent to taxpayers during November, with tax payments scheduled to be collected on or before December 20. Taxpayers may pay all or one half of their tax liability on or before December 20, and if one half of the amount is paid, they may pay the remaining balance by the following June 20. Property taxes become a lien on the property if they remain unpaid the following January 1.

Ada County bills and collects taxes for the Agency.

2. CASH AND INVESTMENTS

Deposits

As of September 30, 2024, the carrying amount of the Agency's deposits was $65,675 and the respective bank balances totaled $65,695. All of the total bank balance was insured or collateralized with pooled securities held by the pledging institution in the name of the District.

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the Agency's deposits may not be returned. As of September 30, 2024, the Agency's deposits were covered by federal depository insurance or by collateral held by the Agency's agent or pledging financial institution's trust department or agent in the name of the Agency, and thus were not exposed to custodial credit risk. The Agency's formal policy is to only deposit in banks that are FDIC insured.

Custodial Credit Risk – Investments

Custodial credit risk is the risk that an issuer or other counter party to an investment will not fulfill its obligations. The Agency's formal policy is to only invest in A grade or higher vehicles for collateralization.

Interest Rate Risk

The Agency's formal policy is to only invest in vehicles with maturities of one year or less to mitigate exposure to fair value losses caused by changing interest rates.

Investments

The Agency voluntarily participates in the State of Idaho Local Government Investment Pool (LGIP), which does not have a credit rating. The pool is not registered with the Securities and Exchange Commission or any other regulatory body. The LGIP is a part of the Joint Powers Investment Pool managed by the State of Idaho Treasurer's Office and was established as a cooperative endeavor to enable public entities of the State of Idaho to aggregate funds for investment. Oversight is with the Treasurer of the State of Idaho and Idaho Code 67-1210A defines allowable investments. The fair value of the Agency's investment in the pool is the same as the value of the pool shares.

An annual audit of the Joint Powers Investment Pool is conducted by the State Legislative Auditors Office. The Legislative Auditor of the State of Idaho has full access to the records of the Pool. Copies of the report may be obtained from the Idaho State Treasurer's Office, 700 West Jefferson Street, Suite 126, Boise, Idaho 83702.

The Agency's investments at September 30, 2024, are summarized below:

		Investment Maturities (in Years)	
Investment Type	Fair Value	Less than 1	1-5
Money Market	$ 12,108	$ 12,108	$ -
External Investment Pool	3,591,259	3,591,259	-
Total	$ 3,603,367	$ 3,603,367	$ -

At the end of the year, cash was reported in the basic financial statements in the following categories:

	Governmental Activities
Cash and cash equivalents	$ 65,675
Investments categorized as deposits	3,603,367
	$ 3,669,042

3. RELATED PARTIES

The Agency partners with the City of Garden City, Idaho for various infrastructure improvements. For the year ended September 30, 2024, the Agency reimbursed the City $615,462 in improvements and equipment. $41,316 was due to the City at the end of the year.

4. RISK MANAGEMENT

As a component unit of the City of Garden City, Idaho, the Agency is exposed to various risks of loss including, but not limited to, damage to and loss of property and contents, and professional liabilities, i.e. errors and omissions. The City, and the Agency, participates in a public entity risk pool, Idaho Counties Risk Management Pool (ICRMP), for property and liability insurance. The City's and the Agency's exposure to loss from its participation in ICRMP is limited to the extent of their deductible only.

5. OTHER COMMITMENTS

The Agency also has credit cards available for use. As of September 30, 2024, credit available on these credit cards totaled $2,500, of which $25 was in use.

6. FUND BALANCE

The following represents the classifications of the Agency's fund balance for fiscal year ended September 30, 2024:

Committed	
Public Facilities & Improvements	$ 168,385
Streetscapes	656,555
Parks/ Greenbelt	62,151
Private Developer Projects	393,114
	1,280,205
Unassigned	2,364,241
Total Fund Balance	$ 3,644,446

REQUIRED SUPPLEMENTARY INFORMATION

Garden City, Idaho Urban Renewal Agency
Budgetary (GAAP Basis) Comparison Schedule
General Fund
For the Year Ended September 30, 2024

	Budgeted Amounts			
	Original	Final	Actual	Variance
Revenues				
Property Taxes	$1,500,000	$1,500,000	$1,976,702	$ 476,702
Interest Earnings	50,000	50,000	135,081	85,081
Total Revenues	1,550,000	1,550,000	2,111,783	561,783
Expenditures				
Current:				
Urban Renewal Agency	89,100	89,100	72,535	16,565
Reimbursed Capital Expenditures	2,499,708	2,499,708	650,777	1,848,931
Total Expenditures	2,588,808	2,588,808	723,312	1,865,496
Net Change in Fund Balance	(1,038,808)	(1,038,808)	1,388,471	2,427,279
Fund Balance - Beginning	2,030,096	2,030,096	2,255,975	225,879
Fund Balance - Ending	$ 991,288	$ 991,288	$3,644,446	$2,653,158

1. BUDGETS AND BUDGETARY ACCOUNTING

   A. The Agency is required by Idaho State Code to adopt an annual appropriated budget and must be provided to the City of Garden City, Idaho by September 1 of each year.

   B. Prior to September 1, the budget is legally enacted through passage at a board meeting.

   C. The budget is adopted on a basis consistent with generally accepted accounting principles (GAAP).

   D. Formal budgetary integration is employed as a management control device during the year.

FEDERAL REPORT

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Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With *Government Auditing Standards*

Board of Commissioners
Garden City, Idaho Urban Renewal Agency
Garden City, Idaho

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standard* issued by the Comptroller General of the United States, the financial statements of the governmental activities and the fund information of Garden City, Idaho Urban Renewal Agency (the Agency), as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements, and have issued our report thereon dated January 6, 2025.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Garden City, Idaho Urban Renewal Agency's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Garden City, Idaho Urban Renewal Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of Garden City, Idaho Urban Renewal Agency's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Garden City, Idaho Urban Renewal Agency's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards.*

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Zwygart John & Associates, CPAs PLLC

Nampa, Idaho
January 6, 2025